GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:193
ANSWERED ON:01.03.2002
CLOSURE OF AKALTARA PLANT OF CCI
CHARAN DAS MAHANT

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the cement factory of Cement Corporation of India at Akaltara, district JanjgirChampa (Chhattisgarh) has been closed due to recurring losses and non-payment of electricity bills;

(b) whether the employees of Akaltara plant are being paid their salary regularly at the time of closure and the `operating loss` of the plant was more than the monthly salary of the employees;

(c) if not, the actual reasons for closure of the said plant;

(d) whether the CCI has requested the State Government of Chhattisgarh which has surpluselectricity to provide electricity at lower rates to Akaltara and Mandhar plant in order to revive these plants;

(e) if so, the details thereof; and

(f) if not, the reasons therefore?

Answer

MINISTER OF STATE FOR HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA)

(a) to (c) Operations in Akaltara unit of CCI have remained suspended from 9.12.1996 due tovarious reasons including recurring losses, high cost of production and non-payment of electricity bills. The operating losses of the unit during 1996-97 were Rs.1289.58 lakh much higher than salary & wage bill of Rs.350.91 lakh. Salary/wages have been paid to the employees upto the month of August,2001.

(d) to (f): CCI is a sick undertaking under reference to BIFR, a quasi judicial body, since 8.8.1996. After having come to the conclusion that no viable rehabilitation scheme has emerged, the BIFR in its hearing held on 27.3.2001, directed IFCI, the Operating Agency to process the sale of CCI as a whole on a going concern basis or its plants, individually or collectively including Akaltara and Mandhar.